

**2SSB 5809 (Corrected Copy) - S AMD 209**

By Senators Hargrove, Holmquist, and Kohl-Welles

ADOPTED 3/11/2009

1 Strike everything after the enacting clause and insert the  
2 following:

3  
4 **"Sec. 1.** RCW 50.16.010 and 2009 c 4 s 906 are each amended to  
5 read as follows:

6 (1) There shall be maintained as special funds, separate and apart  
7 from all public moneys or funds of this state an unemployment  
8 compensation fund, an administrative contingency fund, and a federal  
9 interest payment fund, which shall be administered by the commissioner  
10 exclusively for the purposes of this title, and to which RCW 43.01.050  
11 shall not be applicable.

12 (2)(a) The unemployment compensation fund shall consist of:

13 (i) All contributions collected under RCW 50.24.010 and payments  
14 in lieu of contributions collected pursuant to the provisions of this  
15 title;

16 (ii) Any property or securities acquired through the use of moneys  
17 belonging to the fund;

18 (iii) All earnings of such property or securities;

19 (iv) Any moneys received from the federal unemployment account in  
20 the unemployment trust fund in accordance with Title XII of the social  
21 security act, as amended;

22 (v) All money recovered on official bonds for losses sustained by  
23 the fund;

24 (vi) All money credited to this state's account in the  
25 unemployment trust fund pursuant to section 903 of the social security  
26 act, as amended;

27

1 (vii) All money received from the federal government as  
2 reimbursement pursuant to section 204 of the federal-state extended  
3 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

4 (viii) All moneys received for the fund from any other source.

5 (b) All moneys in the unemployment compensation fund shall be  
6 commingled and undivided.

7 (3)(a) Except as provided in (b) of this subsection, the  
8 administrative contingency fund shall consist of:

9 (i) All interest on delinquent contributions collected pursuant to  
10 this title;

11 (ii) All fines and penalties collected pursuant to the provisions  
12 of this title;

13 (iii) All sums recovered on official bonds for losses sustained by  
14 the fund; and

15 (iv) Revenue received under RCW 50.24.014.

16 (b) All fees, fines, forfeitures, and penalties collected or  
17 assessed by a district court because of the violation of this title or  
18 rules adopted under this title shall be remitted as provided in  
19 chapter 3.62 RCW.

20 (c) During the 2007-2009 biennium, moneys available in the  
21 administrative contingency fund, other than money in the special  
22 account created under RCW 50.24.014(1)(a), shall be expended as  
23 appropriated by the legislature for the (i) cost of the job skills or  
24 worker retraining programs at the community and technical colleges and  
25 administrative costs at the state board for community and technical  
26 colleges, and (ii) reemployment services such as business and project  
27 development assistance, local economic development capacity building,  
28 and local economic development financial assistance at the department  
29 of community, trade, and economic development, and the remaining  
30 appropriation upon the direction of the commissioner, with the  
31 approval of the governor, whenever it appears to him or her that such  
32 expenditure is necessary solely for:

33 (i) The proper administration of this title and that insufficient  
34 federal funds are available for the specific purpose to which such

1 expenditure is to be made, provided, the moneys are not substituted  
2 for appropriations from federal funds which, in the absence of such  
3 moneys, would be made available.

4 (ii) The proper administration of this title for which purpose  
5 appropriations from federal funds have been requested but not yet  
6 received, provided, the administrative contingency fund will be  
7 reimbursed upon receipt of the requested federal appropriation.

8 (iii) The proper administration of this title for which compliance  
9 and audit issues have been identified that establish federal claims  
10 requiring the expenditure of state resources in resolution. Claims  
11 must be resolved in the following priority: First priority is to  
12 provide services to eligible participants within the state; second  
13 priority is to provide substitute services or program support; and  
14 last priority is the direct payment of funds to the federal  
15 government.

16 (d) For fiscal year 2010, moneys available in the administrative  
17 contingency fund, other than money in the special account created  
18 under RCW 50.24.014(1)(a), shall be expended as appropriated by the  
19 legislature to serve individuals who are eligible for or have  
20 exhausted entitlement to unemployment compensation benefits and are  
21 enrolled in a high employer demand program of study or a forest  
22 product industry training program pursuant to section 2 of this act,  
23 and the remaining appropriation upon the direction of the  
24 commissioner, with the approval of the governor, whenever it appears  
25 to the commissioner that such expenditure is necessary solely for:

26 (i) The proper administration of this title and that insufficient  
27 federal funds are available for the specific purpose to which such  
28 expenditure is to be made, if the moneys are not substituted for  
29 appropriations from federal funds which, in the absence of such  
30 moneys, would be made available;

31 (ii) The proper administration of this title for which purpose  
32 appropriations from federal funds have been requested but not yet  
33 received, if the administrative contingency fund will be reimbursed  
34 upon receipt of the requested federal appropriation; and

1 (iii) The proper administration of this title for which compliance  
2 and audit issues have been identified that establish federal claims  
3 requiring the expenditure of state resources in resolution. Claims  
4 must be resolved in the following priority: First priority is to  
5 provide services to eligible participants within the state; second  
6 priority is to provide substitute services or program support; and  
7 last priority is the direct payment of funds to the federal  
8 government.

9 Money in the special account created under RCW 50.24.014(1)(a) may  
10 only be expended, after appropriation, for the purposes specified in  
11 this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,  
12 50.44.053, and 50.22.010.

13  
14 NEW SECTION. Sec. 2. A new section is added to chapter 28B.50  
15 RCW to read as follows:

16 (1) Subject to availability of funds, high employer demand  
17 training funds are available for use by the state board for community  
18 and technical colleges to serve individuals who are eligible for or  
19 have exhausted entitlement to unemployment compensation benefits and  
20 are enrolled in a high employer demand program of study or a forest  
21 product industry training program. Preference must be given to  
22 individuals enrolled in the forest product industry, health care,  
23 energy efficiency, and aerospace worker training programs.

24 (2) Funds may be used for the following purposes for individuals  
25 eligible under subsection (1) of this section: Expenses related to  
26 educational and career counseling services, training plan development,  
27 and referral to appropriate training programs in high-demand  
28 occupations; increased capacity at community and technical colleges to  
29 make training programs in high-demand occupations available; financial  
30 aid for eligible students enrolled at an institution of higher  
31 education as defined in RCW 28B.10.016 or an educational institution  
32 as defined in RCW 28C.04.410; and job development and referral  
33 services.

1 (3) After the first year of the program, if funds are not fully  
2 expended, the state board for community and technical colleges may  
3 broaden individual eligibility criteria.

4 (4) Funds available under this section cannot be used to replace  
5 or supplant any existing enrollments, programs, support services, or  
6 funding sources.

7  
8 NEW SECTION. **Sec. 3.** A new section is added to chapter 50.22 RCW  
9 to read as follows:

10 Consistent with the intent of the workforce investment act of  
11 1998, P.L. 105-220, administrative funds made available under the act  
12 shall be used to serve individuals who are eligible for or have  
13 exhausted entitlement to unemployment compensation benefits and are  
14 enrolled in a high employer demand program of study or a forest  
15 product industry training program pursuant to section 2 of this act.

16  
17 NEW SECTION. **Sec. 4.** A new section is added to chapter 50.22 RCW  
18 to read as follows:

19 The employment security department shall encourage an increase in  
20 education and training through grants and local plan modifications  
21 with workforce development councils. Consistent with the intent of  
22 the workforce investment act, adult and dislocated worker program  
23 provisions in the American recovery and reinvestment act of 2009, the  
24 employment security department shall require workforce development  
25 councils to determine the number of participants who will receive  
26 education and training. The employment security department shall  
27 encourage workforce development councils to:

28 (1) Increase the number of workforce investment act adult and  
29 dislocated worker participants receiving education and training to  
30 obtain employment in high-demand occupations as defined in RCW 50.22.-  
31 -- (section 4, chapter 3, Laws of 2009), through institutions of  
32 higher education as defined in RCW 28B.10.016, or educational  
33 institutions as defined in RCW 28C.04.410; and

1 (2) Use workforce investment act resources for the following  
2 education and training purposes: The provision of individual training  
3 accounts that provide student financial aid; to increase the number of  
4 individuals receiving training benefits; and to enter into contracts  
5 with institutions of higher education to increase capacity for  
6 training low-income individuals for high-demand occupations and  
7 dislocated workers for high-demand occupations.

8  
9 NEW SECTION. **Sec. 5.** The employment security department, in  
10 collaboration with the workforce training and education coordinating  
11 board, workforce development councils, and state board for community  
12 and technical colleges, shall submit reports as follows to the  
13 appropriate committees of the legislature related to the American  
14 recovery and reinvestment act of 2009 workforce investment act adult  
15 and dislocated worker programs:

16 (1) A preliminary report by December 1, 2009, that includes  
17 expenditures on education and training, the number of students  
18 receiving training, the types of training received by the students,  
19 student demographics, and institution/program demographics;

20 (2) A preliminary report by December 1, 2010, that includes the  
21 innovations in training including new training capacity, new classes,  
22 and alternative training times and locations; and

23 (3) A final report by December 1, 2011, that includes expenditures  
24 on education and training, the number of certified full-time  
25 equivalent students receiving training, the types of training received  
26 by the students, student demographics, training completion rates,  
27 employment rates, and comparisons of preprogram and postprogram wage  
28 levels.

29  
30 NEW SECTION. **Sec. 6.** This act is necessary for the immediate  
31 preservation of the public peace, health, or safety, or support of the  
32 state government and its existing public institutions, and takes  
33 effect immediately."

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2 By Senators Hargrove, Holmquist, and Kohl-Welles

3 ADOPTED 3/11/2009

4 On page 1, line 1 of the title, after "training;" strike the  
5 remainder of the title and insert "amending RCW 50.16.010; adding a  
6 new section to chapter 28B.50 RCW; adding new sections to chapter  
7 50.22 RCW; creating a new section; and declaring an emergency."

8

EFFECT: For fiscal year 2010, uses the Employment Security Department Administrative Contingency Account to fund high employer demand training for use by the state board for community and technical colleges to serve individuals who are eligible for or have exhausted unemployment compensation benefits, and are enrolled in a high employer demand program of study or a forest product industry training program.

Preference is given to individuals enrolled in forest product industry, health care, energy efficiency and aerospace worker training programs.

Administrative funds made available under the federal Workforce Investment Act are also used for high employer demand training.

The Employment Security Department will require workforce development councils to determine the number of participants who will receive education and training consistent with the American Recovery and Reinvestment Act of 2009.

ESD will encourage workforce development councils to increase the number of participants receiving education and training and to use Workforce Investment Act resources for education and training purposes.

ESD must submit three reports to the legislature related to the American Recovery and Reinvestment Act of 2009 that includes expenditures on education and training, the number of students, the type of training, innovations in training, and pre-program and post-program wage levels.

Adds an emergency clause.

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